DOCKET FILE COPY ORIGINAL

TELECOMMUNICATIONS® TIA INDUSTRY ASSOCIATION

July 16, 1999

BY HAND DELIVERY

RECEIVED
JUL 16 1999
FEDERAL COMMUNICATIONS COMMISSION
OFFICE OF THE SECRETARY

Ms. Magalie Roman Salas
Secretary
Federal Communications Commission
445 Twelfth Street, S.W.
12th Street Lobby, TW-A325
Washington, D.C. 20554

Re: WT Docket No. 99-168 - In the Matter of Service Rules for the 746-764 and 776-794 MHz Bands, and Revisions to Part 27 of the Commission's Rules

Dear Ms. Salas:

The Telecommunications Industry Association (TIA) submits its Comments in the above captioned proceeding. Please provide each Commissioner with a personal copy. Pursuant to Section 1.419(b) of the Commission's Rules, 47 C.F.R. § 1.419(b), an original and ten (10) copies are enclosed.

If you have any questions concerning this filing please contact the undersigned.

Respectfully Submitted,

Derek R. Khlopin
Regulatory Counsel

Enclosure

No. of Copies rec'd 0+10
List ABCDE

Government and International Affairs Office
1300 Pennsylvania Avenue • Suite 350
Washington, DC 20004
202/383-1480 • FAX 202/383-1495
www.tiaonline.org

Before the
Federal Communications Commission
Washington, D.C. 20554

In the Matter of	)	
	)	
Service Rules for the 746-764 and	)	WT Docket No. 99-168
776-794 MHz Bands, and	)	
Revisions to Part 27 of the	)	
Commission's Rules	)	

Comments of the Telecommunications Industry Association

The Telecommunications Industry Association ("TIA") submits the following brief comments in response to the Federal Communications Commission's Notice of Proposed Rulemaking in WT Docket 99-168 ("Notice").[1] TIA is the principal industry association representing manufacturers and suppliers of telecommunications products and equipment, including manufacturers of terrestrial mobile radio equipment.

TIA believes that this proceeding presents the Commission with an excellent opportunity to revisit some of the conclusions reached in its December 1997 Report and Order reallocating this spectrum[2] and to fully examine all of the issues associated with the complex undertaking of licensing fixed and mobile services in this band. Although the Commission initially was required to conduct the auction for this spectrum after January 1, 2001, we are aware that legislation is pending in Congress that would accelerate that auction and require its completion by September 30, 2000.[3]

Notwithstanding this potential time pressure, the Commission cannot afford to allow spectrum as valuable as that located at 746-806 MHz to be used at less than its full potential or to allow the important public safety licensees that will be located adjacent to

---

[1] Service Rules for the 746-764 and 776-794 MHz Bands, and Revisions to Part 27 of the Commission's Rules, WT Docket No. 99-168, Notice of Proposed Rulemaking, FCC 99-97 (Released June 3, 1999) ("Notice").

[2] Allocation of Television Channels 60-69, the 746-806 MHz Band, ET Docket No. 97-157, Report and Order, 12 FCC Rcd 22953 (1998).

[3] S.1122, An original bill making appropriations for the Department of Defense for the fiscal year ending September 30, 2000, and for other purposes. Measure passed Senate 06/08/99. See section 8107.

this band to be subject to harmful interference from incompatible services. This not only would be costly to these important users of the spectrum and the governmental jurisdictions they represent, but it could result in the public being put in jeopardy during life threatening circumstances.

The spectrum management obligation of the Commission requires that it consider the full range of relevant issues in its allocation process and assure that all of the public interest considerations are taken into account in its decisions. TIA has spelled out these spectrum management obligations in a brief white paper entitled "TIA Spectrum Management Policy." For example, the paper sounds an important cautionary note:

> It is important to note the frequency spectrum is finite in nature yet must accommodate future radio and telecommunications needs. Clearly spectrum management is international in character and cannot be dealt with solely on a domestic basis. Spectrum allocation decisions in the United States must reflect a consensus by the private sector and the government on what services are technically possible, economically sound, spectrally efficient and likely to benefit the public. Decisions on spectrum utilization should not be left to the market alone to decide. Unbridled spectrum flexibility leads to fractured markets, increased equipment costs, delayed research, product development and time to market, and increased potential for interference among users.[4]

A copy of the TIA white paper is attached to these comments. TIA requests that it be made part of the record.

In summary, TIA urges the Commission to develop service rules for the spectrum at the 746-764 and 776-794 MHz using the methods that best accommodate all relevant public interest considerations including economic, technical and market factors. TIA stands ready to provide the Commission with assistance in the carrying out of this responsibility.

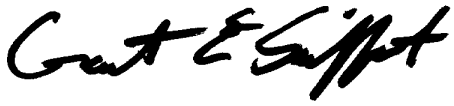
The Commission should give careful consideration to the amount of spectrum needed for anticipated uses. Especially critical is the need to avoid harmful interference between future systems and operations. TIA is confident that the various private sector

[4] Telecommunications Industry Association, "TIA Spectrum Management Policy" (May 29, 1997).

interests will present the Commission with the information needed to make a wise and timely decision. As this proceeding moves forward, should it appear appropriate and useful, TIA will share with the Commission any further recommendations or suggestions that might be helpful to your deliberations.

Respectfully submitted,

Telecommunications Industry Association



Grant E. Seiffert
Vice President, Government Relations

Derek R. Khlopin
Regulatory Counsel

July 16, 1999

Attachment: "TIA Spectrum Management Policy"

TELECOMMUNICATIONS®
TIA
INDUSTRY ASSOCIATION

TIA Spectrum Management Policy

As manufacturers of wireless products and systems, TIA members have a direct interest in the spectrum management polices being examined by this Congress, the FCC, and the Administration. Responsible spectrum management contributes to high volume manufacturing that increases opportunities for competition both in the equipment and service markets and ensures that consumers and users can purchase equipment using the best technology at the lowest price. Geographically unified national allocations, for example, reduce equipment cost through economies of scale. Harmonized domestic and international spectrum allocations increase exports and jobs generated by this industry. Many polices, spectrum allocations and licensing approaches adopted in the U.S. are also adopted by other nations.

Elements of a Sound Spectrum Management Policy

- Budget-driven mandates for spectrum use should never be used. Policy that is driven by the goal of short- term gain for the Treasury will not meet the long term goal of serving the public's telecommunications needs.

- While spectrum auctions are one method of licensing the use of spectrum when selecting between competing applicants, they should not be used for spectrum allocations. Auctions should only be used for licensing decisions among competitors and are best used where the spectrum being licensed is intended for mutually exclusive commercial applications. Before auctions can work effectively, consensus should be reached on the types of services to be offered in a particular frequency band and on service rules.

- There must be some balance between the public's right to realize revenue from spectrum with the ability of users to pay for the use of that resource. The FCC should allocate spectrum without auctions or fees in the case of public safety and essential services. Also, for example, in the case of global satellite service, auctions could seriously inhibit market and technology developments, and the U.S. Government has appropriately decided not to auction such spectrum. In contrast to auctions that help to provide an effective and relatively fast transition of spectrum to new services allocated pursuant to demonstrable market demand, auctions driven solely by the budget process simply impose an enormous burden on new business, many of which face large, well-entrenched incumbents. When this burden affects the ability of potential competitors to launch new services, it also has the effect of a tax, stifling new technology.

- It is important to note the frequency spectrum is finite in nature yet must accommodate future radio and telecommunications needs. Clearly spectrum management is international in character and cannot be dealt with solely on a domestic basis. Spectrum allocation decisions in the U.S. must reflect a consensus by the private sector and the government on what services are technically possible, economically sound, spectrally efficient and likely to benefit the public. Decisions on spectrum flexibility leads to fractured markets, increased equipment costs, delayed research, product development, and time to market, and increased potential for interference among users.

- In order to optimize spectrum usage given the myriad of different spectrum users, the FCC should retain authority to allocate and assign licenses using the methods that best accommodate the relevant public interest considerations including economic, technical, and market factors. For example, consideration should be given to providing adequate time for technology investment decisions, the amount of spectrum needed for an intended use and the need to avoid harmful interference between systems and operations. Specifically, the FCC should be encouraged to optimize spectrum usage by exploring flexible spectrum sharing between and among licensed

and unlicensed services. For instance, the FCC has authorized unlicensed use of spectrum in a manner that has led to the development of entirely new applications of wireless technology. Further, many specialized uses of spectrum, including radar, aviation and maritime navigational aids, space sciences, heart monitoring and other hospital equipment may require the use of unique methodologies for spectrum assignment. Finally, the FCC may require in the future the use of compensation-based assignment mechanisms, other than auctions to ensure spectrum efficiency in new private radio services.

Conclusion

Spectrum management is an increasingly important function of government. If spectrum management is overtaken by the budget process, the United States will not realize the maximum benefits and opportunities of its spectrum resources in radio telecommunications technologies and services.

5/29/97